# 1.0 INTRODUCTION

## 1.1 CONTENT AND PURPOSE OF THIS DOCUMENT

The California Department of Water Resources (DWR) is a department of the State of California whose stated mission is "To manage the water resources of California, in cooperation with other agencies, to benefit the state's people and protect, restore, and enhance the natural and human environments." The department planned, designed, oversaw the development of, and now operates and maintains the State Water Project (SWP), the largest state-built multipurpose water project in the United States. The SWP collects and stores water from Northern California watersheds and delivers it to agricultural areas in the San Joaquin Valley and urban regions in the San Francisco Bay Area, Central Coast, and Southern California. Although the SWP was built primarily for water supply, it is a multipurpose project whose benefits also include flood control, power generation, recreation, fish and wildlife enhancement, and salinity control in the Sacramento-San Joaquin Delta. The Oroville Facilities are a critical part of the SWP, providing much of the system's water collection and storage, flood control, and power production capacity.

The DWR owns and operates the Oroville Facilities under a license that was issued in 1957 by the Federal Power Commission, the predecessor of the Federal Energy Regulatory Commission (FERC, or the Commission). The project license (FERC Project No. 2100) expires on January 31, 2007. In anticipation of this, the DWR intends to submit an application for a new FERC license at least two years prior to the expiration date.

This Initial Information Package (IIP) introduces the relicensing program for the Oroville Facilities project. The relicensing process proposed is based on cooperation and collaboration with federal and state resource agencies, Indian Tribes, local governments, non-governmental organizations (NGOs), and interested members of the public. This process is referred to as the Alternative Relicensing Procedures (ALP), as described in more detail in Section 1.7 of this IIP. The DWR has requested that the Commission approve the ALP for the Oroville Facilities relicensing. FERC approved the ALP process on January 11, 2001.

As a part of the relicensing process, the DWR has prepared this IIP to acquaint resource agencies and the public with the project and the environmental resources potentially

affected by current and future project operations. The IIP provides basic but comprehensive information about the project's facilities and what is known about the project's influence on the surrounding environment and resources. In addition, it identifies resource areas where additional information may be needed to make informed and responsible decisions about future project operations.

## 1.2 GENERAL LOCATION

The Oroville Facilities are located on the Feather River at the foothills of the Sierra Nevada in Butte County in Northern California. The facilities and the project boundary extend from the area south and west of the City of Oroville, and east into the reaches of the Feather River's South, Middle, and North Forks (see Figure 1-1, found in the inside pocket of the report's back cover).

## 1.3 PROJECT PURPOSES

The Oroville Reservoir (also known as Lake Oroville), one of the key elements of the Oroville Facilities, is the principal water storage facility for the SWP, which stores and delivers water to over two-thirds of California's population. Lake Oroville, with a gross capacity of 3,540,000 acre-feet, is operated for water supply, power generation, flood control, recreation, and fishery and wildlife habitat enhancement. The water conserved in the reservoir is used beneficially throughout the state for a variety of purposes, including irrigation, municipal and industrial use, and environmental needs.

## 1.4 OROVILLE FACILITIES

The principal facilities include Oroville Dam and Reservoir, the Edward Hyatt Hydroelectric Powerplant, Thermalito Powerplant, Thermalito Diversion Dam Powerplant, Thermalito Forebay and Afterbay, and associated recreational and fish and wildlife preservation and enhancement facilities. The locations of these features and their relationships to each other as well as the project boundary are indicated on Figure 1-1. The hydroelectric facilities at the Oroville Facilities have a combined licensed capacity of approximately 762 megawatts (MW).

## 1.5 THE EXISTING FEDERAL LICENSE

On February 11, 1957, the Federal Power Commission, predecessor to the FERC, issued a 50-year license, effective February 1, 1957, to DWR to construct and operate the Oroville Facilities (FERC Project No. 2100) in Butte County, California. The existing

FERC license for Project No. 2100 expires on January 31, 2007. DWR must file a Notice of Intent (NOI) to seek a new license by January 31, 2002 and its application for a new license by January 31, 2005.

## 1.6 CURRENT FERC LICENSING REGULATIONS

The Federal Energy Regulatory Commission, under the Federal Power Act (FPA), has the authority and responsibility for regulating non-federally owned hydroelectric power projects on navigable waterways and federal lands. The October 1986 Electric Consumers Protection Act (ECPA) amended the Federal Power Act. Major changes to the act include the following:

- Established new procedures for processing relicense applications to increase opportunities for agencies, interested organizations, and the public to participate in the process.

- Requires the Commission to base its recommendations for mitigating adverse effects of a licensing proposal on the recommendations of federal and state fish and wildlife agencies and to negotiate with the agencies if disagreements occur.

- Requires the Commission to give equal consideration to the environment, recreation, fish and wildlife, and other non-power values that it gives to power and development objectives in making a licensing decision.

The FERC conducts an independent analysis of relicense applications to determine if a new license should be issued and what terms and conditions will be included as part of a new license. The FPA requires the FERC to give equal consideration to a full range of purposes related to the potential values of a stream or river. These purposes include hydroelectric development, energy conservation, fish and wildlife resources, recreational opportunities, other aspects of environmental quality, irrigation, flood control, and water supply. The FERC is required to consider whether a project is adapted as well as possible to a comprehensive plan for developing the waterway. To satisfy this requirement, the FERC considers comprehensive plans prepared by federal and state entities and the recommendations of federal and state resource agencies, Indian Tribes, and the public affected by the project. The impact analysis and mitigation must focus on the ongoing impacts of the project as it currently exists.

The Traditional Relicensing Process incorporates specific steps to prepare and file a new license application. Under this process, prior to filing, a licensee consults with the appropriate federal and state resources agencies to identify needed studies and incorporate information from completed studies into a new license application for an existing hydroelectric project. The license application, prepared and submitted by the licensee to the FERC, presents information about the project, the resources in the project area, and the licensee's protection, mitigation, and enhancement proposals, along with those measures proposed by other parties but not adopted by the licensee. After submittal of the license application, the FERC performs an independent environmental and engineering review of the project. During this step, resource agencies, Indian Tribes, the public, and the licensee can provide comments. A collaborative process is typically not used throughout the process to discuss the potential license terms and conditions submitted to the FERC. Until the Energy Policy Act of 1992, the Traditional Relicensing Process was the only process available to a licensee.

## 1.7 ALTERNATIVE LICENSING PROCEDURES

A licensee may select either the Traditional Relicensing Process or the Alternative Licensing Procedures (ALP) to prepare, file, and process a new license application for an existing hydroelectric project. The licensee must obtain FERC approval to utilize the alternative licensing process. These two relicensing processes differ primarily to the extent and timing of collaboration with relicensing participants during relicensing activities, as well the timing and sequence of the FERC's and other regulatory agencies' environmental review process.

The ALP enables the licensee and participants to collaboratively design the consultation process for the relicensing task. The ALP allows the licensee and participants to jointly propose license terms and conditions, which can be submitted to the FERC with the license application. Through the collaborative process, the ALP encourages greater public involvement and provides the opportunity for participants to tailor the process to address specific issues and streamline procedural compliance with multiple federal laws.

Also, the ALP combines the traditional process pre-filing consultation with some of the National Environmental Policy Act (NEPA) requirements fulfilled by the FERC. The FERC regulations allow for an integration of pre-filing consultations with the environmental analysis, permitting the licensee to prepare or have prepared an Applicant Prepared Environmental Assessment (APEA) or an Environmental Impact Statement

(EIS) to meet the requirements of NEPA. The draft APEA or EIS is filed with the FERC along with the license application.

The ALP may include the development of settlement agreements between relicensing participants. A settlement agreement may detail a preferred project mitigation strategy that has been agreed upon the relicensing participants. Ideally, any settlement agreement would be included in the APEA and would be used by the FERC as a basis for the new license terms and conditions.

DWR plans to use the ALP to prepare its license application. DWR will engage a collaborative process to consult with federal and state resource agencies, Indian Tribes, local organizations, non-governmental organizations, and other interested parties. DWR believes that the ALP offers the best opportunity to obtain input and feedback from a broad array of interests in an atmosphere of cooperation and trust. The ALP alternative under consideration by DWR is the APEA process.

## 1.8 GOALS FOR OROVILLE FACILITY RELICENSING

The primary goal of the ALP is to reach a negotiated settlement agreement with the stakeholders that will form a basis for the relicense application.

## 1.9 THE RELICENSING TIMELINE

The proposed schedule for relicensing the Oroville Facilities is presented in Figure 1-2.

## 1.10 HOW TO GET INVOLVED

The FERC relicensing process for the Oroville Facilities is open to the public, and broad participation is encouraged. A three-tiered collaborative process will be used to achieve consensus on relicensing the Oroville Facilities. The three tiers, described below, are the Plenary Group, Working Groups, and Task Forces. Interested individuals can actively participate in the process at whatever level they choose.

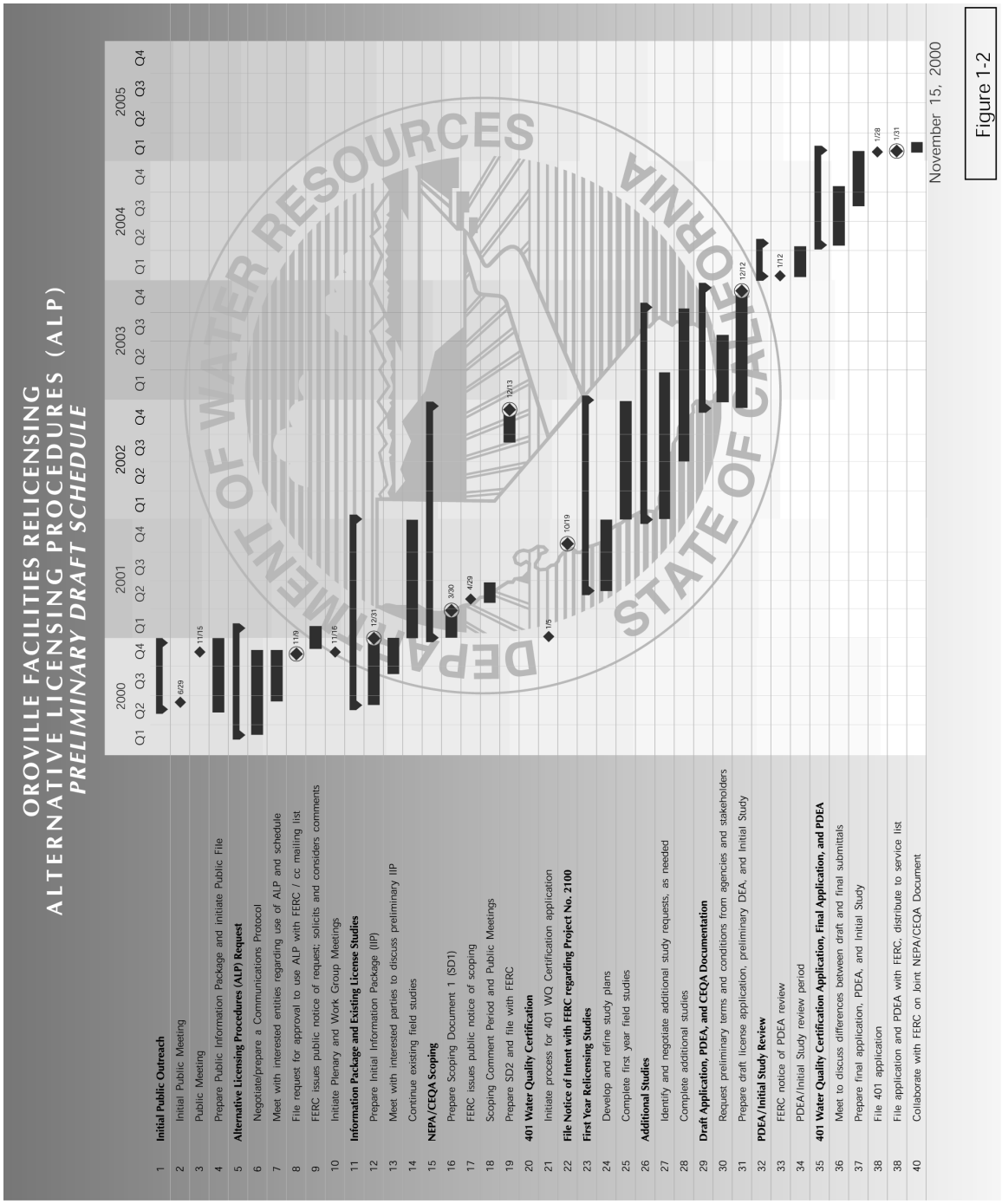
OROVILLE FACILITIES RELICENSING
ALTERNATIVE LICENSING PROCEDURES (ALP)
PRELIMINARY DRAFT SCHEDULE
2000
2001
2002
2003
2004
2005
Q1 Q2 Q3 Q4
1 Initial Public Outreach
2 Initial Public Meeting
3 Public Meeting
4 Prepare Public Information Package and initiate Public File
5 Alternative Licensing Procedures (ALP) Request
6 Negotiate/prepare a Communications Protocol
7 Meet with interested entities regarding use of ALP and schedule
8 File request for approval to use ALP with FERC / cc mailing list
9 FERC issues public notice of request; solicits and considers comments
10 Initiate Plenary and Work Group Meetings
11 Information Package and Existing License Studies
12 Prepare Initial Information Package (IIP)
13 Meet with interested parties to discuss preliminary IIP
14 Continue existing field studies
15 NEPA/CEQA Scoping
16 Prepare Scoping Document 1 (SD1)
17 FERC issues public notice of scoping
18 Scoping Comment Period and Public Meetings
19 Prepare SD2 and file with FERC
20 401 Water Quality Certification
21 Initiate process for 401 WQ Certification application
22 File Notice of Intent with FERC regarding Project No. 2100
23 First Year Relicensing Studies
24 Develop and refine study plans
25 Complete first year field studies
26 Additional Studies
27 Identify and negotiate additional study requests, as needed
28 Complete additional studies
29 Draft Application, PDEA, and CEQA Documentation
30 Request preliminary terms and conditions from agencies and stakeholders
31 Prepare draft license application, preliminary DEA, and Initial Study
32 PDEA/Initial Study Review
33 FERC notice of PDEA review
34 PDEA/Initial Study review period
35 401 Water Quality Certification Application, Final Application, and PDEA
36 Meet to discuss differences between draft and final submittals
37 Prepare final application, PDEA, and Initial Study
38 File 401 application
38 File application and PDEA with FERC, distribute to service list
40 Collaborate with FERC on Joint NEPA/CEQA Document
6/29
11/15
11/16
12/31
11/9
3/30
4/29
12/13
1/5
10/19
1/12
12/12
1/28
1/31
November 15, 2000
DEPARTMENT OF WATER RESOURCES
STATE OF CALIFORNIA

Figure 1-2

If one chooses not to participate directly in the collaborative process, there are other means of becoming involved and staying informed. The Oroville Facilities Relicensing website (http://orovillerelicensing.water.ca.gov/) contains project information, meeting notices and minutes, newsletters, and other related information. Also available for those that want to submit comments are a toll free telephone number 1-866-820-8198 and an email address orovillep2100@water.ca.gov. A newsletter containing information about Oroville Facilities relicensing activities will be distributed quarterly.

The Plenary Group will serve as the forum in which to ultimately decide the terms of the settlement agreement. The Plenary Group will receive updates regarding the efforts of the various Work Groups, seek to understand what is being done in the studies, and provide suggestions. With input from the Work Groups, the Plenary Group will work to develop the final terms of the agreement. In considering the recommendations of the Work Groups, the Plenary Group will give deference to the Work Groups to the extent possible, seeking to integrate these recommendations into a consistent, complete, and implementable package.

The Work Groups will serve as the forum in which to reach agreement on study objectives, based on the questions that participants want the studies to help answer. Work Groups will lead the design of studies, monitor the progress of the studies, analyze and interpret study results, and develop recommendations to the Plenary Group. The Work Groups will develop the study plans unless consensus for a particular study does not exist. If consensus on a study plan is not reached, the Work Group can elevate the issue to the Plenary Group for resolution. The Plenary Group will consider the issues, including the statutory responsibility of the resource agencies, which could choose not to accept the decision of the Plenary Group if it conflicts with their statutory responsibilities.

A Task Force may be composed of members of one or more Work Groups. Task Forces are formed by the Work Groups to examine specific issues in greater detail and to report their findings back to the Working Groups.

Expectations of participants in these groups are listed as follows:

- Attend scheduled meetings or send alternate,
- Make informed choices when prioritizing management and research activities,

- Strive to understand issues within the study area that may not directly relate to personal or geographic areas of interest,
- Actively participate and carry ideas of the group you represent to the process, and
- Relay ideas and proposals discussed at meetings back to the group you represent.